
A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that there exists vast,
2 unmet community development needs that the Hawaii community
3 development authority may address through its community
4 development districts.

5 Significant planning and public outreach has occurred on
6 specific projects to revitalize many areas of the State. One
7 such area is the land under the jurisdiction of the stadium
8 authority and the department of accounting and general services.

9 The legislature finds that redevelopment of lands under the
10 jurisdiction of the stadium authority and the department of
11 accounting and general services could benefit from the Hawaii
12 community development authority administering such a project.

13 The legislature further finds that, as significant public
14 outreach and studies have already occurred, a stadium
15 development district may be formed that is exempt from
16 requirements of chapter 206E-5, Hawaii Revised Statutes.



1 The purpose of this Act is to establish the stadium
2 development district, which includes all state property under
3 the jurisdiction of the stadium authority, under the
4 jurisdiction of the Hawaii community development authority to
5 expedite the redevelopment of Aloha stadium and the property
6 around it to bring economic development to an area that is in
7 need of renewal, renovation, and improvement.

8 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
9 amended by adding a new part to be appropriately designated and
10 to read as follows:

11 **"PART . STADIUM DEVELOPMENT DISTRICT**

12 **§206E-A Stadium development district; purpose; findings.**

13 The legislature finds that the Aloha Stadium and lands under the
14 jurisdiction of the stadium authority and department of
15 accounting and general services are underutilized. The stadium
16 facility has been in dire need of significant repair and
17 maintenance for many years. The stadium authority has
18 considered repairing, upgrading, and replacing the existing
19 facility to optimize the public's enjoyment and ensure public
20 safety. Redeveloping, renovating, or improving these public
21 lands in a manner that will provide suitable recreational,



1 residential, educational, and commercial areas where the public
2 can live, congregate, recreate, attend schools, and shop as part
3 of a thoughtfully integrated experience, is in the best
4 interests of the State and its people.

5 This part establishes the stadium development district to
6 make optimal use of public land for the economic, residential,
7 educational, and social benefit of the people of Hawaii.

8 The legislature finds that the jurisdiction of the
9 authority shall include development within the stadium
10 development district; provided that the stadium authority shall
11 own and hold title to all lands within the stadium development
12 district.

13 The legislature finds that extensive planning for the
14 redevelopment of the aloha stadium property has already occurred
15 and the project must move quickly to the implementation phase.

16 The legislature further finds that proper execution of a
17 mixed-use redevelopment of Aloha Stadium may result in
18 sufficient revenue to maintain the stadium and its environs
19 without any additional cost to taxpayers.

20 The legislature finds that since the authority's role in
21 the stadium development district is purely ministerial, no new



1 board is necessary to administer the stadium development
2 district, and the executive director may take actions necessary
3 to effectuate this part.

4 The legislature finds that nothing in this section shall
5 affect the day-to-day duties of the stadium authority except to
6 the extent that they hinder the redevelopment described in this
7 part.

8 **§206E-B Definitions.** As used in this part, unless the
9 context otherwise requires:

10 "District" means the stadium development district
11 established by this part.

12 "Executive director" means the executive director of the
13 Hawaii community development authority.

14 **§206E-C District; established; boundaries.** (a) The
15 stadium development district is established and shall be
16 composed of all land under the ownership and jurisdiction of the
17 stadium authority established by this part.

18 (b) The executive director shall facilitate the
19 development of all property belonging to the State within the
20 district; provided that development is consistent with the Aloha
21 Stadium Conceptual Redevelopment Report dated February 23, 2017,



1 and prepared for the department of accounting and general
2 services and any county transit-oriented development plans for
3 lands within and surrounding the district. In addition to any
4 other duties that the executive director may have pursuant to
5 this chapter, the executive director's duties shall include but
6 not be limited to:

7 (1) Coordinating with other state entities during the
8 conveyance of properties and conducting remediation
9 activities for the property belonging to the State
10 within the district;

11 (2) Developing the infrastructure necessary to support the
12 development of all property belonging to the State
13 within the district; and

14 (3) Providing, to the extent feasible, maximum opportunity
15 for the reuse of property belonging to the State
16 within the district by private enterprise or state and
17 county government.

18 (c) Upon written request of the executive director and
19 proclamation of the governor, the boundary of the district may
20 be expanded to contiguous land; provided that the expanded
21 district would be part of redevelopment; and provided further



1 that title to the expanded lands shall be transferred to the
2 stadium authority. The legislature may reject such an expansion
3 of the district by adoption of a concurrent resolution.

4 **§206E-D Development guidance policies.** (a) The following
5 shall be the development guidance policies generally governing
6 the executive director's actions in the district:

7 (1) Development shall be consistent with any county
8 transit-oriented development plan;

9 (2) Development shall be consistent with the Aloha Stadium
10 Conceptual Redevelopment Report dated February 23,
11 2017, and prepared for the department of accounting
12 and general services;

13 (3) With the approval of the governor, the executive
14 director, may modify and make changes to a transit-
15 oriented development plan and the Aloha Stadium
16 Conceptual Redevelopment Report with respect to the
17 district to respond to changing conditions or needs;
18 provided that prior to any amendment, the executive
19 director shall conduct a public hearing to inform the
20 public of the proposed changes and receive public
21 input, and the executive director or hearings officer



1 shall record all comments and provide a response in
2 writing to each comment;

3 (4) The executive director shall issue a solicitation and
4 may select a vendor for the stadium development
5 district that includes a stadium, including luxury
6 suites and retail, dining, office, residential, and
7 other commercial operations. The solicitation shall
8 consider parking as well as efficient ingress and
9 egress to the stadium. The executive director shall
10 consider revenue produced by the solicitation to
11 generate sufficient cash flows to maintain the
12 stadium;

13 (5) The executive director may engage in planning, design,
14 and construction activities within and outside the
15 district; provided that activities outside the
16 district shall relate to infrastructure development,
17 area-wide drainage improvements, roadway realignments
18 and improvements, business and industrial relocation,
19 and other activities the executive director deems
20 necessary to carry out development of the district and
21 implement this part. The executive director may



1 undertake studies or coordinating activities in
2 conjunction with the county and appropriate state
3 agencies and may address facility systems, industrial
4 relocation, and other activities;

5 (6) Endangered species of flora and fauna shall be
6 preserved to the extent feasible;

7 (7) Land use and development activities within the
8 district shall be coordinated with and, to the extent
9 possible, complement existing county and state
10 policies, plans, and programs affecting the district;

11 (8) Public facilities within the district shall be
12 planned, located, and developed to support the
13 development policies established by this part for the
14 district and rules adopted pursuant to this part;

15 (9) A portion of the revenues from the stadium development
16 district shall be used to reimburse the general fund
17 for interest on and principal of reimbursable general
18 obligation bonds issued pursuant to Act , Session
19 Laws of Hawaii 2019. Should the stadium development
20 district generate revenues in excess of the amount



1 needed to reimburse the general fund and maintain the
2 stadium:

3 (A) Fifty per cent of the remaining excess revenues
4 shall be deposited into the stadium special fund;
5 and

6 (B) Fifty per cent of the remaining excess revenues
7 may be transferred out of the stadium development
8 district subaccount of the Hawaii community
9 development revolving fund to be used as the
10 authority deems necessary; and

11 (10) The executive director shall prepare development plans
12 for all designated stadium complex areas.

13 (b) The development guidance policies generally governing
14 the stadium authority's actions in the district are as follows:

- 15 (1) Acquire and hold real estate;
16 (2) Exercise condemnation powers for public facilities;
17 (3) Partner with other entities to construct improvements;
18 (4) Prepare and modify development plans;
19 (5) Contract with other entities for a design-build
20 approach for a project;



(6) Contract and accept gifts from public agencies or other sources; and

(7) Develop a marketing plan for the stadium area.

§206E-E Development rules. The executive director may, by written request to and proclamation by the governor, adopt rules to be followed during the development within the district, which shall be known as the development rules, in connection with health, safety, building, planning, zoning, and land use. The legislature may reject the adoption of rules by adoption of a concurrent resolution. The rules shall supersede all other inconsistent ordinances and rules relating to the use, zoning, planning, and development of land and construction thereon within the district. Rules adopted under this section shall follow existing laws, rules, ordinances, and regulations as closely as is consistent with standards meeting minimum requirements of good design, pleasant amenities, health, safety, and coordinated development. The executive director may establish policies and procedures for monitoring and ensuring that development within the district complies with these development rules and may establish fines and penalties or take



1 any other action available under the law to eliminate any
2 noncomplying action.

3 **§206E-F Stadium development district revenues.** (a) All
4 revenues derived from the district, including any fines or
5 penalties collected pursuant to this part, shall be deposited
6 into a stadium development district subaccount of the Hawaii
7 community development revolving fund established pursuant to
8 section 206E-16; provided that this section shall not apply to
9 revenue collected by the stadium authority for deposit into the
10 stadium special fund pursuant to section 109-3.

11 (b) Revenues deposited into the stadium development
12 district subaccount of the Hawaii community development
13 revolving fund pursuant to subsection (a) may be used for the
14 purposes of this part, including maintenance of the stadium;
15 provided that a portion of the revenues shall be used to
16 reimburse the state general fund for interest on and principal
17 of reimbursable general obligation bonds issued by the State for
18 purposes of Act , Session Laws of Hawaii 2019; provided
19 further that excess revenue shall be used in accordance with
20 section 206E-D(a)(9).



1 (c) The authority may adopt rules pursuant to chapter 91
2 for the purposes of this section."

3 SECTION 3. Section 6E-8, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) Before any agency or officer of the State or its
6 political subdivisions commences any project which may affect
7 historic property, aviation artifact, or a burial site, the
8 agency or officer shall advise the department and allow the
9 department an opportunity for review of the effect of the
10 proposed project on historic properties, aviation artifacts, or
11 burial sites, consistent with section 6E-43, especially those
12 listed on the Hawaii register of historic places. The proposed
13 project shall not be commenced, or if it has already begun,
14 continued, until the department has given its written
15 concurrence. If:

16 (1) The proposed project consists of corridors or large
17 land areas;

18 (2) Access to properties is restricted; [~~or~~]

19 (3) Circumstances dictate that construction be done in
20 stages[~~or~~]; or



1 (4) The project is done in the stadium development
2 district as designated in chapter 206E,
3 the department may give its written concurrence based on a
4 phased review of the project; provided that there shall be a
5 programmatically agreement between the department and the project
6 applicant that identifies each phase and the estimated timelines
7 for each phase.

8 The department shall provide written concurrence or non-
9 concurrence within ninety days after the filing of a request
10 with the department. The agency or officer seeking to proceed
11 with the project, or any person, may appeal the department's
12 concurrence or non-concurrence to the Hawaii historic places
13 review board. An agency, officer, or other person who is
14 dissatisfied with the decision of the review board may apply to
15 the governor, who may take action as the governor deems best in
16 overruling or sustaining the department."

17 SECTION 4. Section 109-2, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§109-2 Stadium authority; powers and duties.** The powers
20 and duties of the stadium authority shall be as follows:



- 1 (1) To acquire and hold title to real property and
2 maintain, operate, and manage the stadium and related
3 facilities;
- 4 (2) To prescribe and collect rents, fees, and charges for
5 the use or enjoyment of the stadium or any of its
6 facilities;
- 7 (3) To make and execute contracts and other instruments
8 necessary or convenient to exercise its powers under
9 this chapter and subject to any limitations in this
10 chapter, to exercise all powers necessary, incidental,
11 or convenient to carry out and effectuate the purposes
12 and provisions of this chapter;
- 13 (4) To adopt, amend, and repeal rules, in accordance with
14 chapter 91 [~~rules~~], it may deem necessary to
15 effectuate this chapter and in connection with its
16 projects, operations, and facilities;
- 17 (5) To appoint a manager and a deputy manager who shall
18 have qualifications as the authority deems necessary
19 and who shall hold their respective offices at the
20 pleasure of the authority. The manager and deputy
21 manager shall be exempt from the requirements of



1 chapters 76 and 89. Effective July 1, 2005, the
2 manager shall be paid a salary not to exceed eighty-
3 seven per cent of the salary of the director of human
4 resources development. Effective July 1, 2005, the
5 deputy manager shall be paid a salary not to exceed
6 eighty-five per cent of the manager's salary. The
7 manager shall have full power to administer the
8 affairs of the stadium and related facilities, subject
9 to the direction and approval of the authority. The
10 manager [~~shall~~], subject to the approval of the
11 authority, shall have power to appoint, suspend, and
12 discharge a secretary who shall be exempt from the
13 requirements of chapters 76 and 89, and other
14 employees, subordinates, and assistants as may be
15 necessary for the proper conduct of the business of
16 the authority. Except for persons hired on contract
17 or otherwise as provided in section 109-3 and except
18 for the manager, deputy manager, and secretary, all
19 appointments, suspensions, or discharges shall be made
20 in conformity with the applicable provisions of
21 chapter 76; and



1 (6) To plan, promote, and market the stadium and related
2 facilities."

3 SECTION 5. Section 171-2, Hawaii Revised Statutes, is
4 amended to read as follows:

5 **"§171-2 Definition of public lands.** "Public lands" means
6 all lands or interest therein in the State classed as government
7 or crown lands previous to August 15, 1895, or acquired or
8 reserved by the government upon or subsequent to that date by
9 purchase, exchange, escheat, or the exercise of the right of
10 eminent domain, or in any other manner; including lands accreted
11 after May 20, 2003, and not otherwise awarded, submerged lands,
12 and lands beneath tidal waters that are suitable for
13 reclamation, together with reclaimed lands that have been given
14 the status of public lands under this chapter, except:

15 (1) Lands designated in section 203 of the Hawaiian Homes
16 Commission Act, 1920, as amended;

17 (2) Lands set aside pursuant to law for the use of the
18 United States;

19 (3) Lands being used for roads and streets;

20 (4) Lands to which the United States relinquished the
21 absolute fee and ownership under section 91 of the



1 Hawaiian Organic Act prior to the admission of Hawaii
2 as a state of the United States unless subsequently
3 placed under the control of the board of land and
4 natural resources and given the status of public lands
5 in accordance with the state constitution, the
6 Hawaiian Homes Commission Act, 1920, as amended, or
7 other laws;

8 (5) Lands to which the University of Hawaii holds title;

9 (6) Lands to which the Hawaii housing finance and
10 development corporation in its corporate capacity
11 holds title;

12 (7) Lands to which the Hawaii community development
13 authority in its corporate capacity holds title;

14 (8) Lands to which the department of agriculture holds
15 title by way of foreclosure, voluntary surrender, or
16 otherwise, to recover moneys loaned or to recover
17 debts otherwise owed the department under chapter 167;

18 (9) Lands that are set aside by the governor to the Aloha
19 Tower development corporation; lands leased to the
20 Aloha Tower development corporation by any department
21 or agency of the State; or lands to which the Aloha



1 Tower development corporation holds title in its
2 corporate capacity;

3 (10) Lands that are set aside by the governor to the
4 agribusiness development corporation; lands leased to
5 the agribusiness development corporation by any
6 department or agency of the State; or lands to which
7 the agribusiness development corporation in its
8 corporate capacity holds title;

9 (11) Lands to which the Hawaii technology development
10 corporation in its corporate capacity holds title;
11 [~~and~~]

12 (12) Lands to which the department of education holds
13 title; and

14 (13) Lands to which the stadium authority holds title;

15 provided that, except as otherwise limited under federal law and
16 except for state land used as an airport as defined in section
17 262-1, public lands shall include the air rights over any
18 portion of state land upon which a county mass transit project
19 is developed after July 11, 2005."

20 SECTION 6. Section 206E-4.1, Hawaii Revised Statutes, is
21 amended to read as follows:



1 "[+]§206E-4.1[+] **Assignment of powers and duties**
2 **prohibited.** Notwithstanding anything contained in this chapter
3 to the contrary, except for part of this chapter, the
4 authority shall not assign to any person or agency, including
5 the executive director of the authority, any of its powers and
6 duties related to the approval of any variance, exemption, or
7 modification of any provision of a community development plan or
8 community development rules."

9 SECTION 7. Section 206E-5, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "**§206E-5 Designation of community development districts;**
12 **community development plans.** (a) The legislature, by statute,
13 may designate an area as a community development district if it
14 determines that there is need for replanning, renewal, or
15 redevelopment of that area. The designation shall describe the
16 boundaries of the district.

17 (b) After designation, the authority shall develop a
18 community development plan for the designated district. The
19 plan shall include but not be limited to community development
20 guidance policies, district-wide improvement program and
21 community development rules.



1 (c) The authority may enter into cooperative agreements
2 with qualified persons or public agencies, where the powers,
3 services, and capabilities of such persons or agencies are
4 deemed necessary and appropriate for the development of the
5 community development plan.

6 (d) Whenever possible, planning activities of the
7 authority shall be coordinated with federal, state and county
8 plans. Consideration shall be given to state goals and
9 policies, adopted state plan or land use guidance policies,
10 county general plans, development plans, and ordinances.

11 (e) The authority shall hold a public hearing on a
12 proposed community development plan pursuant to chapter 91 and,
13 after consideration of comments received and appropriate
14 revision, shall submit the community development plan to the
15 governor for the governor's approval.

16 After approval, the governor shall submit to the
17 legislature requests for appropriations, authorization to issue
18 bonds, or both, to implement the community development plan in
19 an orderly, affordable, and feasible manner. The governor shall
20 submit the requests to the legislature as part of the executive
21 budget or supplemental budget, as appropriate. In addition to



1 the information, data, and materials required under chapter 37,
2 the requests shall be accompanied by:

3 (1) Plans, maps, narrative descriptions, and other
4 appropriate materials on the:

5 (A) Locations and design of projects or public
6 facilities proposed to be funded; and

7 (B) Phase of the community development plans proposed
8 to be implemented with the requested funds; and

9 (2) Other information deemed by the governor of
10 significance to the legislature regarding the projects
11 or public facilities proposed to be funded, including
12 a discussion of the public benefits intended by, and
13 adverse effects which may result from, implementation
14 of the projects or public facilities.

15 (f) The authority may amend the community development plan
16 as may be necessary. Amendments shall be made in accordance
17 with chapter 91.

18 (g) The stadium development district shall be exempt from
19 this section."

20 SECTION 8. (a) Notwithstanding any other law to the
21 contrary, the department of land and natural resources shall



1 transfer the fee simple interest in all parcels of land under
2 the control or jurisdiction of the stadium authority, including
3 all existing improvements thereon, to the stadium authority as
4 grantee, as is, where is. The parcels to be transferred shall
5 include:

6 (1) TMK 99003055:0000;

7 (2) TMK 99003061:0000;

8 (3) TMK 99003070:0000;

9 (4) TMK 99003071:0000; and

10 (5) Any other parcels under the jurisdiction of the
11 stadium authority.

12 (b) The department of land and natural resources shall
13 prepare, execute, and record, in the land court or bureau of
14 conveyances, as appropriate, a quitclaim deed to convey each
15 above-listed parcel with all existing improvements, subject to
16 the property boundaries determined pursuant to subsection (d),
17 to the stadium authority, as grantee. As these are conveyances
18 in which the State and its agencies are the only parties, the
19 tax imposed by section 247-1, Hawaii Revised Statutes, shall not
20 apply. Effective on the date of transfer pursuant to subsection
21 (d), every reference to the present titleholder or the head of



1 the department or agency in each instrument, if the titleholder
2 is a department or an agency, shall be construed as a reference
3 to the stadium authority.

4 (c) The stadium authority shall accept the properties in
5 their existing condition. All claims and liabilities against
6 the department of land and natural resources, if any, which the
7 stadium authority has, may have had, or may have in the future,
8 regarding any injury, loss, cost, damage, or liability,
9 including reasonable attorney's fees, concerning the physical,
10 environmental, soil, economic, and legal conditions of the
11 conveyed properties, are released, waived, and extinguished.

12 (d) Work to initiate the transfer of parcels identified in
13 this section shall start no later than December 31, 2019.

14 SECTION 9. Any law to the contrary notwithstanding, any
15 remaining amount of the appropriation made by item H-18 of
16 section 30 of Act 49, Session Laws of Hawaii 2017, as amended
17 and renumbered by section 5 of Act 53, Session Laws of Hawaii
18 2018, that is unalloted or unencumbered is hereby lapsed;
19 provided that the lapsed amount shall be transferred and
20 appropriated to the Hawaii community development authority for



1 fiscal year 2019-2020 to establish and develop the stadium
2 development district for public use.

3 SECTION 10. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$50,000,000 or so
5 much thereof as may be necessary for fiscal year 2019-2020 for
6 the Hawaii community development authority to establish and
7 develop the stadium development district for public use.

8 SECTION 11. The director of finance is authorized to issue
9 reimbursable general obligation bonds in the sum of \$150,000,000
10 or so much thereof as may be necessary and the same sum or so
11 much thereof as may be necessary is appropriated for fiscal year
12 2019-2020 for the Hawaii community development authority to
13 establish the stadium development district and build a new
14 stadium as provided for in chapter 206E, part , Hawaii
15 Revised Statutes.

16 The proceeds of the reimburseable general obligation bonds
17 shall be deposited into the stadium development district
18 subaccount of the Hawaii community development revolving fund;
19 provided that the Hawaii community development authority shall
20 use a portion of the revenues of the stadium development
21 district to reimburse the general fund for all costs, including



1 interest on and principal of the reimbursable general obligation
2 bonds issued pursuant to this section.

3 SECTION 12. The director of finance is authorized to issue
4 general obligation bonds in the sum of \$150,000,000 or so much
5 thereof as may be necessary and the same sum or so much thereof
6 as may be necessary is appropriated for fiscal year 2019-2020 to
7 the Hawaii community development authority to build a new
8 stadium.

9 SECTION 13. The sums appropriated by sections 9, 10, 11,
10 and 12 of this Act shall be expended by the Hawaii community
11 development authority for the purposes of this Act.

12 SECTION 14. The appropriations made for the capital
13 improvement projects authorized by sections 9, 10, 11, and 12 of
14 this Act shall not lapse at the end of the fiscal biennium for
15 which the appropriation is made; provided that all moneys from
16 the appropriation unencumbered as of June 30, 2022, shall lapse
17 as of that date.

18 SECTION 15. In codifying the new sections added by section
19 2 of this Act, the revisor of statutes shall substitute
20 appropriate section numbers for the letters used in designating
21 the new sections in this Act.



1 SECTION 16. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.
3 SECTION 17. This Act shall take effect on July 1, 2019.



Report Title:

Hawaii Community Development Authority; Stadium Development District; Appropriation

Description:

Establishes the stadium development district, which includes all state property under the jurisdiction of the stadium authority. Transfers title of lands under the jurisdiction of the Stadium Authority to the Stadium Authority. Authorizes the issuance of general obligation bonds and reimbursable general obligation bonds and appropriates funds. Exempts the stadium development district from section 206E-5, HRS. Exempts lands owned by the Stadium Authority from the definition of public lands. Authorizes the Department of Land and Natural Resources to give written concurrence, based on a phased review, on any project in the stadium development district for historical preservation purposes. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

